

OCT 1976

26 - 9887/3

MEMORANDUM FOR: Deputy Director for Administration
Deputy Director for Intelligence
Deputy Director for Operations
Deputy Director for Science and Technology
Inspector General
Comptroller
General Counsel
Legislative Counsel

SUBJECT: Rehired Civilian Annuitants

REFERENCE:

STATINTL

1. The Director of Personnel recently furnished to me a list of 200 rehired civilian annuitants, as of 30 June 1976, in either an independent contractor or contract employee status. I am concerned that this overall number may be excessive and that perhaps in certain instances we are hiring annuitants to accomplish work that could be performed by current employees or for which we could recruit new ones. By way of comparison, the number of such rehired annuitants was 154 for FY 1974 and 159 for FY 1975.

2. I recognize that a retiree often represents a wealth of unique background and experience and is sometimes the best qualified person to accomplish a job. Nevertheless, the standard for their employment contained is a narrow one which allows fulfillment of requirements that cannot be met through internal reassignment or training of current employees or through new recruitments. In addition, Congress recently passed legislation which will require an agency that employs a Civil Service annuitant to pay the equivalent of his annuity to the Civil Service retirement fund. Provisions of our recent CIARDS amendment may result in application of this change to CIARDS retirees also.

STATINTL

3. Consequently, I ask that you examine your employment of each annuitant in a contract or independent contractor status as well as each request for an extension or initial hire in these categories to assure that the justification required [redacted] is present. I intend to ask the Director of Personnel to provide me with semi-annual reports which show all annuitants on board in the above categories, and the written justification for each, as of April 1 and October 1 of each year.

STATINTL

7s/ E. H. Knoche

E. H. Knoche
Deputy Director of Central Intelligence

cc: D/DCI/IC
D/DCI/NIO
AO/DCI

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Orig: [redacted] 1f (1 Oct 76)
Distribution:
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